

just passed the House has a September reporting date for the committees of jurisdiction to act on Medicare; and third, the budget resolution must be conferred with the Senate budget resolution, which has not yet been passed.

It seems that the real purpose of this motion to instruct is to once again try to steer us away from the seriousness of the task ahead of us: To ensure that the Medicare Program is preserved for current and future beneficiaries. I should not have to remind Members that the trustees for the Medicare hospital insurance and supplementary medical insurance trust funds are facing significant financial problems in both the short term and the long term.

Under the best estimates of the trustees, the hospital insurance trust fund will be exhausted by 2002. In short, the hospital insurance side of the program will not be able to pay its bills because of exploding part A expenditures. Part A is described by the trustees as a program "severely out of financial balance."

Not only is the HI trust fund financially out of balance, but spending growth by the supplementary medical insurance [SMI] trust fund is also a concern because the SMI rate of growth is unsustainable. SMI cost growth directly affects Medicare beneficiary part B premiums as well as general revenues from which the largest share of SMI costs are financed.

In 1995, premiums paid by enrollees will finance only about 28 percent of annual costs, according to the 1995 trustees' report. Over the next decade, the contribution from general revenues to the SMI trust fund will increase from \$46 billion in 1995 to \$151 billion in 2004, for an average annual growth rate of over 14 percent.

We are deeply concerned about the future of the Medicare Program. We strongly believe any solution to this crisis must be addressed in a bipartisan manner and we are disappointed by the administration's repeated refusal to join this effort. We are particularly alarmed that the President is ignoring the strongest possible warnings from the very individuals he appointed to safeguard the Medicare Program since 4 of 6 trustees are administration officials.

The end result of this instruction will be to put in jeopardy the MediGap policies of the 450,000 Medicare beneficiaries currently enrolled in Medicare Select plans. This program is very popular among senior citizens with good reason. In August 1994, Consumer Reports rated the top MediGap insurers nationwide. Eight out of ten of the top rated 15 MediGap plans were Medicare Select plans. During our Health Subcommittee hearing on Medicare Select, the National Association of Insurance Commissioners testified in favor of the program and stated that out of the 10 Medicare Select States that report into the NAIC's complaint data system,

there were only 9 Medicare Select complaints last year.

This instruction is simply a dilatory tactic and should be rejected. Members should think seriously before they cast a vote eliminating the Medicare Select Program.

Mr. DOGGETT. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. STARK], the ranking member of the Subcommittee on Health and Environment of the Committee on Ways and Means, a Member of this house who has worked long and hard to try to protect our Medicare beneficiaries.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

APPOINTMENT OF CONFEREES ON H.R. 483, MEDICARE SELECT EX- PANSION

Mr. STARK. Mr. Speaker, we have heard today about ideas and proposals being proposed. But these same proponents of these ideas have put forth a budget that destroys children in this country, destroys clean air, destroys safe water, reduces law enforcement, all in the name of providing tax cuts to the rich. All I can say is, please leave our seniors alone.

The gentleman who preceded me a few speakers ago in the well, who chairs the Subcommittee on Health and the Environment of the Committee on Commerce, has already cut \$84 billion out of the trust fund for Medicare just to give tax cuts to the very rich. Do not help us anymore, Mr. Chairman. You have done enough harm already.

Medicare Select is nothing but a political payoff to big insurance companies. Prudential Life Insurance Co. has already been convicted of stealing billions of dollars from seniors. Golden Rule Insurance Co. is under more litigation with State insurance commissioners than any other insurance company in the country. The staff who drafted this silly bill was paid hundreds of thousands of dollars by the insurance industry last year, and they are telling you they are here to help seniors?

Mr. Speaker, do not believe that. They have already cut \$3,000 out of seniors' pockets by changing the taxes that they will pay, to pay for their silly budget which is designed only to give tax cuts to the rich.

So, yes, let us balance the budget, let us help kids become healthy, let us have education and a clean environment, but do not louse up Medicare with silly ideas that are untried, that are just a payoff to the major insurance companies in this country, that will do nothing but deny medical benefits to the seniors who are already happy with their health care. This is

free enterprise to pay off Republican campaign contributions run amok.

Mr. BLILEY. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Connecticut [Mrs. JOHNSON], the prime author of this legislation.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in opposition to this motion to instruct conferees. We have 35 days left before this program expires. We have 20 legislative days left before this program expires.

The preceding speaker talked about this being a payoff to big insurance companies. It is absolutely true that insurance companies are in the business of providing insurance, and that people buy insurance voluntarily and because they value it, because it gives them some security in their lives.

My interests and my concern is not the insurance companies. My interests and my concern are the seniors of America, the people. And people who buy Medicare Select policies are getting more health care at a lower cost. That is why they buy Medicare Select policies rather than some other MediGap policy.

In some instances the premiums are 40 percent less. If you are living on a fixed income, Mr. Speaker, that matters. Not only are the premiums less, but they get coverage for annual medicals, sometimes for pharmaceuticals, prescription medications, for some vision, some dental.

People are buying these policies voluntarily, and because they offer them more at a cheaper price. Our job is not to steer seniors in this market. Our job is only to assure that there is a market that offers choice.

The Medicare Select policies are regulated exactly like every other MediGap policy. These policies are not out there in the market with any less government oversight than any other MediGap policy.

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So let us get on with this conference, let us make sure that this option for seniors in America that offers more health care for less dollars does not expire, let us try this time to meet our responsibilities, to renew the law without a gap.

Let me just add one other comment. My colleagues on the other side have said that we are cutting Medicare, and somehow we should not renew this program because we are cutting Medicare.

Now remember, it is the trustees, that is the Secretary of HHS, the Secretary of Labor, other members of the President's Cabinet who are saying Medicare is going bankrupt, it goes broke next year. That means it takes in less than it is going to pay out and it goes bankrupt, that means it eats all of its assets in 6 more years. So it is not the Republicans who are saying this. It is the Republicans who are saying we are going to do something about it, we are going to protect seniors in America, preserve Medicare. Under no,